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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/849,495	05/04/2001	Denis Khoo	40015980-0010	8842

7590 06/15/2004

PIPER RUDNICK LLP,  
SUPERVISOR, PATENT PROSECUTION SERVICES,  
1200 NINETEENTH STREET, N.W.  
WASHINGTON, DC 20036-2412

EXAMINER

LE, KHANH H

ART UNIT	PAPER NUMBER
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3622

DATE MAILED: 06/15/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/849,495

Applicant(s)

KHOO ET AL.

Examiner

Khanh H. Le

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ML

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 05 April 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 28-49 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 28-49 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date 19/April 5 2004.
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_.

### **Response to RCE**

1. This is in response to the RCE ( request for continued examination under 37 CFR 1.114) , Pre-Amendments B and C, the IDS dated between March 15 to April 05, 2004 (papers # 14-20). Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submissions have been entered.

Claims 28-41 were pending. New claims 42-49 were added by Amendment B. Amendment C further amended claims 28-32, 39-40, 45-46, 47-48, 49. Thus with entry of both amendments, claims 28-49 remain pending. Claims 28, 40, 45, 46, 47, 48, 49 are independent.

### **Objections**

2. Applicants are to provide a clean copy of the amended claims.

### **35 USC 112**

3. All previous rejections under this section, both 1<sup>st</sup> and 2<sup>nd</sup> paragraphs, are withdrawn.

### **Response to Remarks**

4. Regrettably, the amended claims do not succeed in overcoming Logan because the offer and the election of receiving with or without ads occurs at the account initiation stage. Subsequently the content with ad or not is provided to the user as claimed.

***Claim Rejections - 35 USC § 102***

5. The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

**6. Claims 28-33, 35-36, 38-43, 45-49 are rejected under 35 U.S.C. 102(b) as being anticipated by Logan US 5721827 A.**

As to claims 28, 40-41, 45, 46, 47, 48, 49:

An offer to provide content w/ an option of viewing w/ ads or no ads occurs at Logan during the user initialization stage. The Logan form for the user to fill constitutes an offer to provide such content (which is different from advertising) with or without ads to defray the costs of the content. In response, the user indicates the content desired as well as the amount of advertising desired, including no ads at all (i.e. "the first option" as claimed)(see at least col. 8 line 42 to col. 9 line 11).

Following such indication by the user, the content provider provides the content with or without ads as indicated by the user (i.e. "the content is not provided until the user makes the election" regarding the ads).

Implicit in Logan is the availability of one program only ("a content"). Also, implicitly, if the Logan user chooses no ads at all (i.e. "the first option") at the initiation step, then no ads are sent with the content and he/she pays the full price of the content. On the other hand if he/she elects to view ads, at the initiation stage, then the content is sent with the ads after the user's election of the option of ads or no ads, as claimed.

Logan discloses an option of editing the mix of content and ads sent during playback. However this also implies the option of not editing by the user, in which case the user receives the content with or without ads as exactly as sent by the provider after the user chose in the initiation or offer phase, as claimed.

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All other limitations in these claims have been discussed in previous Office Actions to which Applicants are referred to for further details..

As to claims 29 and 31,

Logan discloses: wherein the data network comprises a content display device (see at least Fig 1 item 118 and associated text) .

Claim 30.

Logan discloses: wherein the data network comprises a content module (see at least Fig 4 items 315 “content providers” table , 303 “ programs” table, and associated text).

As to claims 32 and 38

Logan discloses: wherein the option is offered to a viewer/user comprising an individual viewer/user ( abstract: “” subscriber”) .

Claim 33.

Logan discloses: wherein the choice compensation is based on the rating (interpreted as the quality) of the content ( col 26 l. 53-col 27 l. 8) .

Claim 35.

Logan discloses: wherein the viewer/user chooses the content with or without advertisements by transmitting the choice over the data network to the content provider (abstract, col. 8 line 42 to col. 9 line 11; 4<sup>th</sup> sentence from last; col 4 l. 2-8; col 26 l. 53-59) .

Claim 36. ,

Logan discloses: wherein the choice compensation is a fee assessed on the basis of the choice content payable to the content provider by the viewer/user (abstract : “subscriber fee”; col 26 l. 53-col 27 l. 8;col 17, col 27 l. 2-30) .

Claim 39.

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In Logan, the content delivered is based on the user's demographics, habit or preferences (see at least col 7 l. 45-65, col 9 l. 22-60).

As to claims 42 and 43, Logan discloses audio and visual content.

***Claim Rejections - 35 USC § 103***

7. The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

8. **Claims 34, 37 and 44 are rejected under 35 U.S.C. 103(a) as being unpatentable over Logan US 5,721, 827 A.**

Claim 34 (dependent on claim 33)

Logan does not specifically disclose the choice compensation is based on the viewing habit or demography of the viewer/user. However Official Notice is taken that it is well-known some consumers are provided goods or services at more advantageous costs than other consumers because their demographics make them more desirable customers. Thus it would have been obvious to one skilled in the art at the time the invention was made to provide the choice compensation is based on the demography or viewing habits of the viewer/user to attract better customers.

Claim 37.

Logan discloses an option comprising a choice to the viewer/user of selecting the content together with an embedded (added, inserted ) advertisement for reduced fees (col 27 l. 3-6, Fig. 5 and associated text; col 9 l. 50 – col 10 l. 6) . Further the Logan user selects (matches) the ads in sufficient quantity to offset the costs as he/she wishes ( col 9 l. 50 – col 10 l. 6).

Logan specifically does not disclose an option whereby the content is 100% subsidized (“ an option... for which the choice compensation is not paid to the content provider). However at col . 9 l. 66- col 10 l. 6, Logan discloses an user indicating a net charge at the desired level,

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based on which the amount of advertising is adjusted. It is well-known some consumers desire free service or 100% subsidies. Therefore it would have been obvious to one skilled in the art at the time of the invention to add to Logan's teaching of an user indicating a net charge at the desired level, based on which the amount of advertising is adjusted, an net charge of zero, to achieve 100% subsidy, to satisfy such desire of certain consumers.

As to claim 44, Logan does not specifically disclose radio content however it would have been obvious to one skilled in the art at the time the invention was made to add radio content to the Logan system as Internet radio becomes more advanced.

### Conclusion

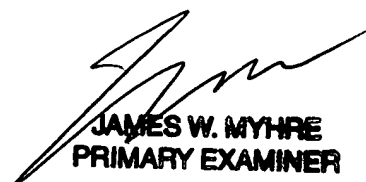

9. Prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

10. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Khanh H. Le whose telephone number is 703-305-0571. The Examiner works a part-time schedule and can normally be reached on Tuesday-Thursday 9:00-6:00.

If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's supervisor, Eric Stamber can be reached on 703-305-8469. The fax phone numbers for the organization where this application or proceeding is assigned are 703-872-9326 for regular communications and 703-872-9327 for After Final communications. Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

June 14, 2004

KHL



JAMES W. MYHRE  
PRIMARY EXAMINER